

## 2. SECTION I: ABOUT THE RESPONDENT

### 1. From which perspective are you providing this feedback?

The view of an organization

#### Please complete:

Your name:

Your organization (if applicable):

E-mail address:

#### Please complete:

Organization:

International Corporate Governance Network (ICGN)

Name(s) of contact(s) for this submission:

Ayan Tewari

E-mail address(es) of contact(s):

policy@icgn.org

### 2. Please select from the following options to which stakeholder group you or your organization belongs:

International Organization

#### Please specify the type of accounting firm:

#### Please specify:

### 2. Please specify:

Global, investor-led member organisation

#### Please specify:

#### Please specify:

### 3. Please select from the following options the geographical region that best matches you or your organization:

**3. Please select from the following options the geographical region that best matches you or your organization:**

Global

**4. SECTION III: SSBs' STRATEGIC POSITIONING FOR 2028–2031**

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**4. As the SSBs look toward the 2028–2031 period, they are reflecting on how to position their strategies and work plans to best serve the public interest within a rapidly changing global environment. This involves careful consideration of how the SSBs remain relevant, responsive, and impactful in their standard-setting and other related work. In that context, what do you believe the SSBs should aspire to achieve during their next strategy period, 2028–2031?**

**Your answer may touch on different dimensions, for example:**

**The relevance, responsiveness and impact of the SSBs' standard-setting and related activities.**

**Broader adoption and effective implementation of the SSBs' standards.**

**The SSBs' interaction and engagement with key stakeholder groups.**

**The SSBs' ability to serve the public interest.**

**The examples above are for illustrative purposes only and should not limit, direct, or otherwise influence your response.**

**Your answer should address the IAASB and IESBA collectively; however, you may wish to also highlight matters specifically for the IAASB or IESBA (if applicable, you could use separate headings to address such matters).**

For the 2028–2031 strategy period, the SSBs should focus on strengthening trust in audit, assurance, ethics and independence standards, while ensuring their work remains practical, globally relevant and capable of broad adoption.

The SSBs should resolve any outstanding questions relating to their own governance reforms in a way that enhances the effectiveness of standard-setting and the efficiency of oversight, without undermining confidence in the standard-setting system.

The independence, due process and public interest focus of the SSBs remain critical to trust in their standards.

The SSBs should prioritise broad international adoption and effective implementation of existing standards. Given the risk of fragmentation across jurisdictions, particularly in sustainability reporting and assurance, the SSBs' principal focus should be on supporting global consistency, interoperability, capacity-building, and implementation, rather than developing new requirements unless there is a clear public interest need. This is particularly important given implementation complexity and stakeholder "change fatigue".

Where enhancements are pursued, they should be targeted at issues that demonstrably improve audit quality, assurance quality, ethical behaviour, independence, or accountability. This includes areas that strengthen trust in financial reporting and, where applicable, financially material sustainability-related reporting. The SSBs should also recognise that audit quality is affected not only by technical standards, but by governance, incentives and accountability within the audit ecosystem. From an investor perspective, it is important that standards and related activities reinforce the auditor's public interest role and the importance of accountability to users of audited information.

The SSBs should remain responsive to technological change, particularly the increasing use of AI and other emerging technologies by preparers, accountants and auditors. This may require guidance or targeted standard-setting on professional judgement, professional scepticism, accountability, competence, confidentiality and objectivity in technology-enabled environments. Given the rapid pace of change, such guidance should be principles-based and future-fit, rather than overly current technology-specific.

Finally, the SSBs should continue to expand direct outreach with users of financial and non-financial information, particularly investors. Investors are key beneficiaries of high-quality audit, assurance, ethics and independence standards, and their perspectives should be central to not only standard-setting, but also to implementation support, post-implementation reviews and ongoing dialogue on emerging public interest issues.

## 6. SECTION IV: KEY TRENDS IMPACTING THE SSBs

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### A.1 Digital Transformation – Increasing Use of Emerging Technologies

6 – Strongly increasing in importance

**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

The SSBs will need to ensure their standards remain future-fit and adaptable to the increasing use of AI and other emerging technologies by preparers, accountants and auditors. This should include consideration of how technology is designed, built, trained, governed, and used, and how this affects professional judgement, professional scepticism, competence, accountability, objectivity and confidentiality.

The SSBs should reinforce that principles-based assurance remains grounded in professional judgement and professional scepticism. Technology may support audit and assurance quality, but it should not displace accountability or weaken the exercise of professional judgement. The SSBs should respond where necessary through targeted guidance, non-authoritative material or narrow-scope amendments, but avoid premature or overly broad standard-setting unless there is a clear link to audit quality, assurance quality or ethical quality.

This area is also linked to multidisciplinary teams and the involvement of non-professional accountants, given the role of technology, data and AI specialists in designing, assessing and using technology-enabled tools.

### A.2 Digital Transformation – Digital Assets and Institutionalization of Digital Assets

5 – Increasing in importance

**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

This is an increasingly relevant area, particularly where digital assets affect audit evidence, valuation, custody, controls or risk assessment. The SSBs may need to draw on specialist expertise and consider whether guidance is needed to support consistent and high-quality application of existing standards. However, this should be proportionate and focused on areas where there is a clear public interest or quality concern.

## A.3 Digital Transformation – Financial Crimes Enabled by Technology

5 – Increasing in importance

**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

As above, technology-enabled financial crime and cybersecurity risks may affect audit quality, assurance engagements and ethical responsibilities. The SSBs should consider whether existing standards and guidance remain adequate in areas such as professional scepticism, risk assessment, use of technology-enabled tools and responsibilities relating to non-compliance, fraud and financial crime.

## 7. SECTION IV: KEY TRENDS IMPACTING THE SSBs

### B.1 Changes in the Geopolitical and Regulatory Landscape – Regulatory Changes

6 – Strongly increasing in importance

**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

Regulatory change is likely to remain highly significant. The key risk is fragmentation, as jurisdictions increasingly move at different speeds or adopt different approaches. The SSBs should focus on supporting broad international adoption of their existing standards and helping jurisdictions implement them consistently. This should be a core priority for 2028–2031. Institutional credibility will be central to this. In a more fragmented environment, trust in independent, well-governed and globally credible standard-setting institutions supports adoption and international legitimacy. The SSBs should therefore ensure that any governance reforms strengthen, rather than weaken, independence, due process, public interest responsiveness and effective oversight.

### B.2 Changes in the Geopolitical and Regulatory Landscape – Risk of Fragmentation

5 – Increasing in importance

**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

Fragmentation is a material risk to trust, comparability and confidence in financial and non-financial reporting. The SSBs should seek to reduce fragmentation by supporting adoption, implementation and interoperability of their standards, particularly in areas

such as sustainability assurance and ethics.

Consistent global baselines are important for investors and other users operating across markets. From an investor perspective, comparability and consistency across jurisdictions support confidence, capital allocation and effective stewardship.

### **B.3 Changes in the Geopolitical and Regulatory Landscape – Call for Greater Agility in Standard Setting**

5 – Increasing in importance

**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

Greater agility is important, but it should not come at the expense of due process, independence or the quality of standard-setting. The SSBs should consider more targeted tools, including non-authoritative guidance, implementation support and narrow-scope amendments where appropriate.

Agility should also support practical operability. The SSBs should strengthen practitioner and user input when developing standards and guidance, so that standards remain principles-based, future-fit and capable of consistent application in real-world audit and assurance engagements. However, agility should enhance rather than weaken trust in the standard-setting process.

### **B.4 Changes in the Geopolitical and Regulatory Landscape – Greater Diversity of Voices Sought**

6 – Strongly increasing in importance

**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

The SSBs should continue to broaden stakeholder input, including from emerging markets, but should also ensure that users of financial and non-financial information have a strong voice. Investors and other users are key beneficiaries of audit, assurance, ethics and independence standards, and their perspectives should be more directly embedded in outreach, standard-setting, implementation support, and post-implementation review.

## **8. SECTION IV: KEY TRENDS IMPACTING THE SSBs**

### **C.1 Evolving Expectations Concerning Sustainability Information – Continuing Demand for Sustainability Reporting and Assurance**

6 – Strongly increasing in importance

**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

## **Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

Demand for reliable sustainability reporting and assurance will continue to grow. The SSBs should avoid unnecessary new standard-setting unless clearly justified, and should instead focus on supporting broad-based adoption and effective implementation of existing sustainability assurance, ethics and independence standards.

This is important to build trust and consistency in the market and to avoid fragmentation, implementation complexity and change fatigue. The SSBs should also consider the connectivity between sustainability assurance and financial audits, particularly where sustainability-related matters are financially material.

## **C.2 Evolving Expectations Concerning Sustainability Information – Regulatory and Geopolitical Changes**

6 – Strongly increasing in importance

### **Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

## **Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

The SSBs should invest in supporting adoption and implementation to help keep fragmentation in check. As jurisdictions recalibrate or diverge in their sustainability reporting and assurance requirements, the SSBs can play an important role in promoting interoperability, consistency and confidence. This should include timely implementation support and continued outreach with investors and other users. Capacity-building, partnerships and targeted implementation support may be particularly important in helping jurisdictions implement globally consistent baselines in a proportionate and operable way.

## **9. SECTION IV: KEY TRENDS IMPACTING THE SSBs**

### **D.1 Evolving Structure and Business Models of Accounting Firms – Alternative Ownership Structures**

5 – Increasing in importance

### **Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

## **Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

Changing ownership structures, including private equity investment in audit firms, may have significant implications for independence, firm culture, governance and audit quality. These models are not inherently problematic and may increase investment in technology and capability. However, the SSBs should consider whether and how these models create new risks to ethical behaviour, quality management, auditor independence, and the public interest role of audit and assurance.

More broadly, this trend highlights the importance of governance and accountability in the audit ecosystem. Audit quality is affected not only by technical standards, but also by whether firm governance, ownership, incentives and accountability mechanisms support the auditor's responsibility to users of audited information.

## **D.2 Evolving Structure and Business Models of Accounting Firms – Increased Involvement of Non-Professional Accountants in the Accounting and Auditing Profession**

5 – Increasing in importance

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**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

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**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

As above, multidisciplinary teams and greater use of specialists can improve audit and assurance quality, particularly in areas such as technology, data, sustainability and valuation. However, the SSBs should consider how to ensure that the specialists who are not professional accountants involved in this work understand and comply with relevant ethical, independence and quality management expectations. Standards should support the use of expertise without weakening accountability or quality. This is closely linked to the use of emerging technologies. Where technology, data or AI specialists contribute to the design, development, training or application of tools used in audit and assurance, standards and guidance should support clear accountability, appropriate professional oversight and the continued exercise of professional judgement and professional scepticism.

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## **D.3 Evolving Structure and Business Models of Accounting Firms – Challenges to Attracting and Retaining Talent**

6 – Strongly increasing in importance

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**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

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**Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?**

Talent is critical to audit and assurance quality. The SSBs should ensure standards do not create unnecessary barriers to entry or career progression, while maintaining high standards of competence, ethics and quality. The profession will need to attract and retain talent in areas such as technology, sustainability and data, and standards should support this without compromising public trust.

This should include consideration of how standards can remain operable and principles-based in a more multidisciplinary environment, while still preserving accountability and quality.

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## **D.4 Evolving Structure and Business Models of Accounting Firms – Non-Assurance Service Line**

4 – Slightly increasing in importance

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**Please explain why you do not believe this should be considered a relevant trend for the SSBs:**

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**Do you wish to highlight any matters relating to this trend or identified impacts,**

## or any additional impacts, for the IAASB or IESBA or both the SSBs?

No major additional comment. This remains relevant to trust in the profession, particularly where non-assurance services create independence, conflicts or reputational risks. However, compared with technology, adoption, fragmentation, sustainability and ownership structures, this appears to be a lower priority for the next strategy period.

## 10. SECTION IV: KEY TRENDS IMPACTING THE SSBs - OTHER TRENDS AND RANKING

### 6. Are there trends or related areas or matters that you believe the SSBs should consider that are not covered? If so, please provide details.

Yes

#### Additional trends

##### Please number your additional trend (O.1, O.2, O.3, ...)

O.1 Audit market governance, incentives and accountability

##### Please describe the additional trend

The SSBs should consider audit market governance, incentives and accountability as a cross-cutting trend affecting trust in audit and assurance. Investor confidence depends not only on high-quality technical standards, but also on whether auditors are sufficiently accountable to the users of audited information and whether firm governance, culture and incentives support the auditor's public interest role.

This does not necessarily require broad new standard-setting, but it may warrant targeted consideration in areas such as firm governance, audit firm culture, independence, quality management, public interest responsiveness and post-implementation review.

##### On a scale of 1 to 6, indicate the extent to which you believe this trend will increase or decrease in importance for the SSBs for their next strategy period starting in 2028.

5 – Increasing in importance

##### Do you wish to explain your rating or highlight any matters relating to this trend for the IAASB, IESBA, or both the SSBs?

This trend is increasing in importance because repeated concerns about audit quality suggest that technical requirements alone may not be sufficient if governance, incentives and accountability mechanisms are misaligned. The SSBs should consider how their work can better reinforce the auditor's responsibility to users of audited information, including investors, while preserving independence, due process and global operability.

### 7. Based on your evaluation of the identified trends, please rank what you believe are the TOP FIVE most important trends for the SSBs to consider for their next strategy period starting in 2028.

Rank 1 : A.1 – Digital Transformation – Increasing Use of Emerging Technologies  
Rank 2 : B.1 – Geopolitical and Regulatory Landscape – Regulatory Changes  
Rank 3 : D.1 – Evolving Structure and Business Models – Alternative Ownership Structures  
Rank 4 : C.1 – Continuing Demand for Sustainability Reporting and Assurance  
Rank 5 : D.3 – Challenges to Attracting and Retaining Talent

## 11. SECTION V: AREAS FOR JOINT ACTIONS IN SSBs' WORK PLANS

### 8. Please share your views about areas of common interest and possible joint or parallel work plan topics (e.g., standard-setting or non-authoritative materials), or other initiatives or activities.

The IAASB and IESBA should focus joint or parallel work on areas where audit quality, assurance quality, ethics and independence are closely connected.

The SSBs should consider joint work on the implications of AI and emerging technologies. This should include guidance on the use of AI by preparers, accountants and auditors, with a focus on professional judgement, professional scepticism, competence, accountability, objectivity and confidentiality. The SSBs should consider not only how technology is used, but also how technology-enabled tools are designed, built, trained and governed. Any response should be proportionate and targeted to issues that affect audit quality or ethical quality.

The SSBs should prioritise adoption and implementation support for existing standards, particularly in sustainability assurance, ethics and independence. As jurisdictions take different approaches to sustainability reporting and assurance, coordinated implementation support will be important to reduce fragmentation and support global consistency. Capacity-building, partnerships and non-authoritative implementation material may be especially useful in addressing implementation complexity and change fatigue.

The SSBs should consider the implications of changing accounting firm ownership structures, including private equity investment. This should include whether new ownership models create risks to firm culture, independence, governance, quality management or the public interest role of audit and assurance. This should be linked to broader consideration of audit market governance and accountability, including how standards and related activities can reinforce the auditor's responsibility to users of audited information.

The SSBs should also consider the implications of multidisciplinary teams and the increasing involvement of non-professional accountants in audit and assurance. Standards should support the use of specialist expertise, particularly in technology, data, sustainability and valuation, without weakening accountability, ethical responsibilities or professional oversight.

The SSBs should strengthen direct engagement with users of financial and non-financial information, particularly investors. Users should be treated as a primary beneficiary of the SSBs' work, and their perspectives should be reflected in standard-setting priorities, implementation support, post-implementation review, and ongoing dialogue on emerging public interest concerns.

Any joint work should be undertaken in a way that protects the trust and credibility of the standard-setting system. Greater agility is welcome where it improves responsiveness, but it should not weaken due process, independence or the public interest focus of the SSBs. Practitioner input should also be strengthened to ensure standards are operable and capable of consistent application, but without diluting the SSBs' public interest mandate.